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The FATS and OILS SITUATION

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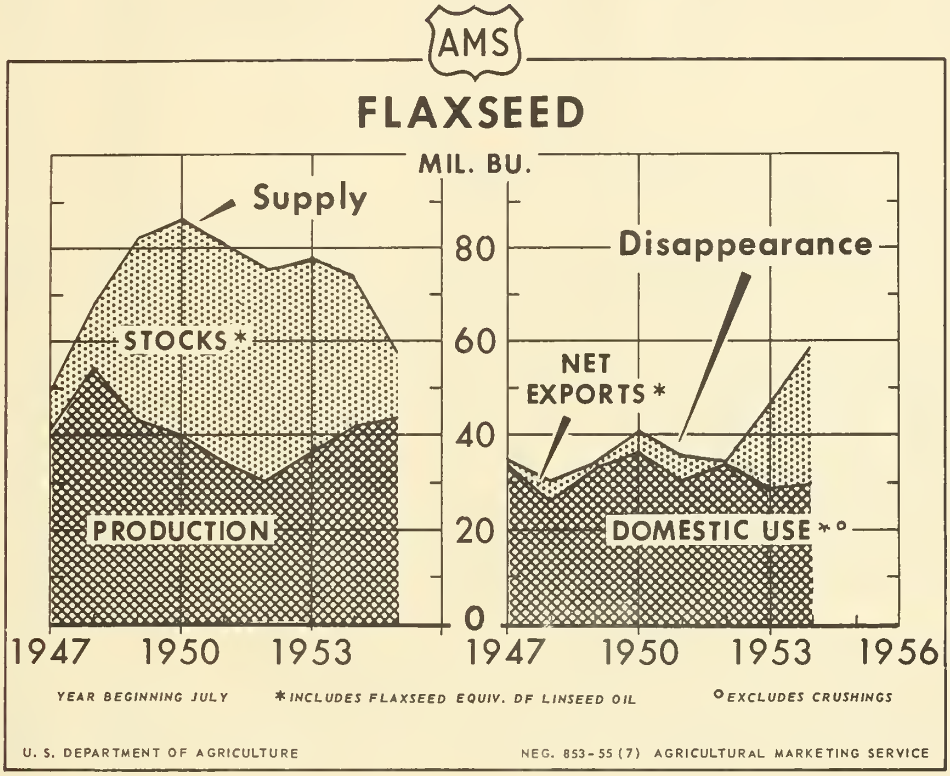

Supplies of flaxseed and linseed oil in the 1955 marketing year will be the smallest since 1947. Production of flaxseed in 1955 is estimated to be the largest since 1949, but stocks have been reduced drastically during the past two crop years, mainly because of large export sales of CCC-owned flaxseed and linseed oil at prices well below domestic market levels.

Despite the sharp reduction, supplies still will be about 20 million bushels in excess of estimated domestic use and commercial carryover.

However, unlike recent years, strong world demand and limited supplies from other exporting countries may encourage substantial commercial exports.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE

AGRICULTURE - WASHINGTON

Table 1.- Wholesale prices per pound for fats, oils, and glycerin at specified markets

Item	June		1955		
	1953	1954	April	May	June
	Cents	Cents	Cents	Cents	Cents
Babassu oil, tanks, New York	---	---	15.2	15.2	15.2
Butter, creamery, Grade A (92-score) bulk, New York	65.6	57.4	57.9	57.9	57.8
Butter, creamery, Grade B, (90-score) bulk, Chicago	63.0	54.8	55.5	55.3	55.3
Castor oil, dehydrated, tanks, New York	28.4	21.6	20.4	20.1	20.1
Castor oil, No. 1, tanks, f.o.b. New Jersey mills	23.2	17.0	15.8	15.5	15.5
Castor oil, No. 3, technical, drums, carlots, f.o.b. N.Y.	24.0	17.8	15.8	14.8	14.8
Coconut oil, crude, tank cars, Pacific Coast, f.o.b. mill 1/	17.3	16.0	14.7	14.3	14.8
Coconut oil, crude, tanks, Atlantic ports (tax included)	19.0	16.9	15.8	15.4	15.8
Coconut oil, Cochin type, refined, drums, N.Y. (tax included)	22.8	21.8	20.8	19.5	19.5
Cod oil, Newfoundland, drums, New York	10.0	10.5	10.5	11.0	11.0
Codliver oil, medicinal, U.S.P., barrels, New York	20.2	20.2	19.5	19.5	19.5
Corn oil, crude, tank cars, f.o.b. Midwest mills	14.1	14.9	13.5	14.1	15.0
Corn oil, refined, drums, New York	19.5	22.0	19.9	20.9	21.8
Cottonseed oil, crude, tank cars, f.o.b. S.E. mills	15.0	14.7	13.4	14.0	14.3
Cottonseed oil, p.s.y., bleachable, tank cars, New York 2/	15.8	16.4	15.2	15.6	16.3
Cottonseed-oil foots, raw (50 percent T.F.A) delivered East	1.4	1.6	2.1	1.8	1.7
Cottonseed oil, refined, drums, New York	23.2	22.4	20.0	20.9	21.9
Degras, common, barrels, New York	17.0	11.0	10.0	10.0	10.0
Glycerin, soaplye, basis 80 percent, tanks, New York	30.5	21.0	21.0	21.0	21.0
Grease, A white, tank cars, f.o.b. Chicago	3.5	6.6	6.7	6.4	6.3
Grease, yellow, tank cars, f.o.b. Chicago	2.8	5.6	6.2	5.8	5.8
Lard, loose, tank cars, Chicago	9.6	15.5	11.8	11.2	10.8
Lard, prime steam, tierces, Chicago	9.3	17.1	12.9	12.3	12.1
Lard, refined, 1-pound cartons, Chicago	13.8	20.6	16.0	15.5	15.0
Linseed oil, raw, tank cars, Minneapolis	14.5	15.3	12.5	13.1	13.1
Linseed oil, raw, drums, carlots, New York	17.3	17.9	15.2	15.8	15.8
Margarine, white, domestic vegetable, Chicago	26.5	27.0	26.0	26.0	26.0
Menhaden oil, light pressed, tanks, New York	10.8	10.8	10.2	10.0	10.0
Neat's-foot oil, 30°, drums, carlots, New York	30.0	30.0	30.0	30.0	30.0
Oiticica oil, drums, f.o.b. New York	25.0	18.8	14.2	13.4	13.5
Oleo oil, extra, drums, New York	13.0	19.6	15.3	15.6	14.8
Oleostearine, barrels, New York	8.0	14.7	11.4	11.2	11.1
Olive oil, imported, edible, drums, New York	36.7	28.7	31.3	30.8	30.7
Olive oil foots, domestic, drums, carlots, New York	15.0	---	---	---	---
Palm oil, Congo, drums, f.o.b. New York 3/	12.0	12.4	12.9	12.8	12.9
Peanut oil, crude, tank cars, f.o.b. S.E. mills	20.9	16.8	15.7	17.9	18.0
Peanut oil, refined, drums, New York	32.0	25.4	22.7	24.6	25.0
Rapeseed oil, refined (denatured), tanks, New York	17.2	17.0	16.3	16.0	16.0
Sardine oil, crude, tanks, Pacific Coast	---	---	9.0	9.0	9.0
Sesame oil, refined, drums, New York	36.0	36.0	36.0	36.0	36.0
Soybean oil, crude, tank cars, f.o.b. Midwest mills	11.5	14.2	11.6	12.2	12.6
Soybean oil, refined, drums, New York	20.8	20.9	18.5	18.7	19.0
Shortening, containing animal fat, 1-pound cartons, Chicago	27.8	29.0	28.0	27.2	27.6
Shortening, cottonseed, hydrogenated, 10-drum lots, New York	22.8	23.8	21.2	22.0	22.2
Sperm oil, natural, 45°, drums, New York	13.0	14.8	15.2	15.2	15.2
Tall oil, refined, tanks, works	5.0	5.0	5.2	5.2	5.2
Tallow, edible, loose, Chicago	5.9	10.9	8.5	8.5	8.5
Tallow, inedible, packers' prime, tank cars, f.o.b. Chicago	3.6	6.2	6.7	6.4	6.4
Tallow, No. 1, inedible, Chicago	3.0	5.5	6.2	5.8	6.0
Tung oil, imported, drums, carlots, f.o.b. New York	29.9	24.0	24.7	24.9	24.9
Tung oil, tanks, New York	28.2	22.4	23.4	23.4	23.4

1/ Three-cent processing tax added to prices as originally quoted.
2/ Near-by futures.
3/ Tax excluded. Tax does not apply to palm oil used in the manufacture of iron or steel products, tin and terne plate. Since 1943 these are the major uses of palm oil.

Prices compiled from Oil, Paint, and Drug Reporter; The National Provisioner; The Journal of Commerce (New York); Wall Street Journal, Chicago edition; reports of Bureau of Labor Statistics, and reports of Commodity Stabilization Service. Excise taxes and duties included where applicable.

THE FATS AND OILS SITUATION

Approved by the Outlook and Situation Board, July 14, 1955

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SUMMARY

Total disappearance of food fats in the current marketing year ending September 30 is expected to be over 10 percent more than in 1953-54. Most of the rise will consist of a large increase in exports, though domestic use also will be greater. Production is up but stocks are being reduced sharply from the high levels of the past 2 years, largely by sale of edible oils and butter from CCC holdings. Commercial stocks of food fats are not likely to change much.

Production of food fats in the marketing year beginning October 1 is expected to increase to a new high. Peak output of soybean oil and a moderate increase in lard will more than counterbalance a decline in cottonseed oil. Because of the smaller stocks, however, total supply may be about 5 percent below the record of this year.

Reports as of July 1 indicate that the 1955 flaxseed crop will be well above probable domestic use. Unlike recent years, however, strong world demand and limited supplies from other countries may permit sizeable commercial exports.

Production of inedible tallow and greases in 1955-56 may continue upward. Hog slaughter will increase because of the larger pig crops in 1955. Little change in cattle slaughter is expected.

OUTLOOK

More Soybeans, Flaxseed and Peanuts but Less Cottonseed in 1955

The acreage of cotton in cultivation on July 1, 1955 is estimated at 17.1 million acres, 14 percent below last year and the least since records of acreage in cultivation on July 1 were started in 1909. Acreage allotments were reduced 15 percent from a year ago, but farmers planted slightly closer to their allotments. The crop on July 1 was from one to two weeks late and somewhat irregular in growth with uneven stands fairly common. Except in some parts of Texas, soil moisture is adequate and even somewhat excessive in some areas.

Table 2 .- Oil crops: Acreage, yield per acre, and production

Item	Unit	Average 1937-41	1950	1951	1952	1953	1954	1955 indicated July 1
Cottonseed								
Acreage in cultivation July 1	Mil. acres	26.4	18.6	28.2	27.2	25.2	20.0	17.1
Yield per acre in cultivation July 1	Lb.	[1]420	[1]447	446	455	535	576	---
Production	1,000 tons	5,500	4,105	6,286	6,190	6,748	5,702	---
Soybeans								
Acreage grown alone	Mil. acres	8.8	15.1	15.2	15.9	16.4	18.8	19.9
Acreage harvested for beans	Mil. acres	4.1	13.8	13.5	14.3	14.7	17.0	18.4
Yield per acre harvested	Bu.	18.7	21.7	20.9	20.8	18.3	20.1	---
Production	Mil. bu.	77	299	282	298	269	343	---
Flaxseed								
Planted acreage	Mil. acres	2.3	4.3	4.1	3.4	4.6	6.0	5.3
Yield per acre planted	Bu.	8.0	9.4	8.4	8.8	7.9	7.0	8.2
Production	Mil. bu.	19.6	40.2	34.7	30.2	36.7	41.5	43.4
Peanuts								
Acreage grown alone	Mil. acres	2.4	2.7	2.6	1.9	1.9	1.9	2.0
Acreage picked and threshed	Mil. acres	1.8	2.3	2.0	1.5	1.5	1.4	---
Yield per acre picked and threshed	Lb.	767	898	834	936	1,040	737	---
Production	Mil. lb.	1,395	2,037	1,676	1,366	1,589	1,023	---

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[1] In 1938-42 and 1950, based on acres in cultivation July 1 less acres removed to meet allotments.

Nearly 20 million acres of soybeans grown alone for all purposes are indicated for 1955. This exceeds last year's record by 6 percent and is about the same as indicated by the March intentions report. Compared with last year, farmers expect to harvest for beans a greater percentage of the planted acreage. About 18.4 million acres, 8 percent more than a year ago, may be harvested for beans. Soybeans were planted under near ideal conditions over much of the main area and the crop is off to an excellent start.

Planted acreage is up about 7 percent in the main soybean producing area, the North Central States, with every State reporting an increase except Kansas. Minnesota reports a 16 percent increase in acreage over last year and now is second only to Illinois. Plantings in Minnesota have doubled since 1952 mainly reflecting rising yields and comparatively satisfactory returns to farmers.

The acreage planted to peanuts for all purposes in 1955 is estimated at 2.0 million acres, 5 percent more than last year and 6 percent more than indicated in March. The Department on May 4 announced a 7.5 percent increase in the 1955 acreage allotments and farmers made a determined effort to plant the additional land. The biggest increase over last year was in the Southwest area. Generally, the crop was planted under favorable weather and moisture conditions. With a few exceptions, the crop at the beginning of July was progressing very well in all areas.

The first production forecasts for cotton, soybeans and peanuts will be published in the August crop report.

Production of about 43 million bushels of flaxseed is forecast for 1955. This is 4 percent more than last year and the most since 1949. Much higher yields than last year are in prospect-which more than offset a sharp drop in acreage. Plantings were reduced 11 percent from a year ago and also were 8 percent below the March intentions. Cuts in plantings took place in all flaxseed producing States except Arizona and California. South Dakota and Minnesota reduced their planted acreage 19 and 14 percent, respectively. Disappointing yields along with a lower support price for the 1955 crop probably account for the major part of the reduction from last year. The lowering of the support price was announced after the March intentions report and probably influenced farmers to change their plans. About 60 percent of the crop is being produced in North Dakota compared with 36 percent in 1944-53.

Flaxseed Supplies Not As Large; Export Prospects Bright [1]

The outlook for United States flaxseed (and linseed oil) during most of the past decade has been dominated by large supplies. Most of the carryover was owned by CCC. Prices were around support levels in 5 of the last 8 years.

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[1] Based in part on information obtained from the Foreign Agricultural Service, USDA and the Food and Agriculture Organization of the United Nations.

Supplies in the marketing year beginning July 1, 1955 will be the smallest since 1947. Production of flaxseed in 1955 will be the largest since 1949, but stocks have been reduced about 65 percent during the past two crop years, mainly by large export sales of CCC-owned flaxseed and linseed oil at prices well below domestic market levels.

Despite the sharp reduction, supplies still will be in excess of estimated domestic use. Total supplies of seed and oil for 1955-56 are placed at 58 million bushels, including about 15 million carry-in stocks (including the flaxseed equivalent of linseed oil). Domestic commercial consumption probably will total about 30 million bushels, and commercial stocks at the end of the marketing year probably will be about 8 million. This would leave 20 million bushels for export and for CCC carryover at the end of 1955-56.

Unlike recent years, substantial quantities of flaxseed may be exported commercially in 1955-56. World demand for linseed oil is being well sustained by high economic activity in Western Europe and heavy Russian imports. Incomplete data suggest that Russia imported approximately 150 million pounds in calendar 1954 compared with minor amounts in the preceding years. Russia was the third largest world importer in 1954. International markets will be influenced to a considerable extent by the size of Russian purchases in 1955-56.

Prices for flaxseed and linseed oil in international markets have climbed considerably since last fall, reflecting the large reduction in Argentine and United States supplies and a continuing strong world demand. Flaxseed prices at Winnipeg, Canada rose from about $2.80 per bushel last October to over $3.50 per bushel in recent months. This is considerably above $3.18 per bushel Minneapolis, the approximate equivalent of the 1955 U. S. price support level. Minneapolis and Winnipeg prices are competitive for export to Continental Europe when Winnipeg is only a few cents above Minneapolis. During the past two months, CCC sold about 2.6 million bushels of seed, some of which was exported, at prices equivalent to the 1954 support price of $3.41 per bushel, Minneapolis basis. However, it is possible that to some extent present prices may reflect an end-of-season shortage of commercial supplies of 1954 crop flaxseed.

CCC is expected to acquire about 8 million of the 10.3 million bushels of 1954 crop flaxseed placed under support programs. Sales prior to July 1 totaled about 2.6 million bushels. Thus the Corporation owned, or will acquire, about 5 to 6 million bushels at the beginning of the 1955 crop year. Some deliveries probably will be received through August.

CCC flaxseed is available for domestic use through October 1955 on a bid basis but at not less than prices which reflect the 1954 support level for flaxseed. Sales for export are on a bid basis. The Corporation has offered a million bushels for toll crushing at the 1954 support price and will repurchase the oil on a bid basis. As of July 12, one million bushels were sold for toll crushing.

World exports of flaxseed and linseed oil from sources other than the United States in the year beginning July 1955 may be somewhat less than the year before and substantially below two years ago. Reduced shipments from Argentina will more than offset a rise in Canadian and possibly Indian supplies.

Table 3.- World exports of linseed oil and flaxseed

Source	Year beginning July 1 1/					
	1953		1954 2/		1955 forecast	
	Oil basis	Seed basis	Oil basis	Seed basis	Oil basis	Seed basis
	Mil. lb.	Mil. bu.	Mil. lb.	Mil. bu.	Mil. lb.	Mil. bu.
Argentina	445	22.2	350	17.5	230	11.5
Canada	125	6.2	135	6.8	175	8.8
Other non-U.S. 3/	190	9.5	137	6.8	170	8.5
Total non-U.S.	760	37.9	622	31.1	575	28.8
United States	350	17.5	568	28.4	4/400	4/20
Total	1,110	55.4	1,190	59.5	4/975	4/48.8

1/ Converted on basis of 20 pounds of oil to the bushel.
2/ Partly estimated.
3/ Calendar years in 1953 and 1954.
4/ If entire estimated U. S. surplus is exported.

Based on data supplied by Foreign Agricultural Service, USDA and the Food and Agriculture Organization of the United Nations.

Most of Argentina's large stocks were shipped out during the past two years. Argentine exports of linseed oil in calendar year 1955 are forecast at about 235 million pounds of which about 175 million were exported through June. Stocks on January 1, 1956 may be about 70 million pounds compared with 134 million a year earlier and 486 million two years before. The 1955 crop, which will be harvested in November 1955-January 1956, may not differ much from last year's moderately sized one. There was no change in the 1955 support price and producers apparently will not increase their plantings without higher guarantees. Consequently, exportable supplies in the first half of 1956 might be somewhat less than the year before. Exports in July 1955-June 1956 may be down at least 100 million pounds from a year earlier. Argentina, in the latter part of May, signed a trade agreement with Russia to provide about 135 million pounds of linseed oil. Only about 30 million pounds were shipped prior to July 1, so the bulk of it will go out in 1955-56. This will reduce still further the availabilities for other areas.

Exportable supplies of Canadian flaxseed in 1955-56 probably will be substantially greater than a year earlier. Stocks at the beginning of the year probably were not much different from last year but production may be up sharply. Acreage planted in 1955 probably was at least 40 percent more than last year, reflecting higher prices for flaxseed and reduced plantings to wheat. If the 1955 crop, which will be harvested in September-October 1955, totals about 17 million bushels compared with 11 last year, about 220 million pounds of linseed oil (oil equivalent of flaxseed) might be available for export. However, exports in July 1955-June 1956 probably would be in the neighborhood of 175 million pounds, a record level, since shipments usually lag well below production in years of large output. While this would be about 40 million pounds more than the year before, it would not offset reduced supplies in Argentina.

Supplies available from Uruguay in 1955-56 are expected to be down. But higher world prices and reduced domestic demand may induce larger exports from India. The oil is used domestically in food products and a record peanut crop in 1954 pushed prices of competing peanut oil downward. Indian exports of linseed oil in calendar years 1953 and 1954 were very small because of low world prices and strong domestic demand.

There apparently was a substantial accumulation of linseed oil stocks in the Netherlands at the beginning of January 1955. But much of it probably has been disposed of by this time.

More Lard and Grease, About Same Quantity of Tallow and Butter in 1955-56

Production of lard in the marketing year beginning October 1, 1955 is expected to be up about 8 percent from this year and about the same as in 1950-51 when 2.8 billion pounds were produced. Output at this level would be one of the highest of record. The increase would reflect a rise in hog slaughter.

The 1955 pig crop, which will provide most of the hogs slaughtered in 1955-56, is estimated at 101 million head, 9 percent more than last year and the most since 1951. The 1955 spring pig crop, which will start to move to market in volume in August, was 9 percent greater than a year ago. Reports as of June 1 indicate that farmers intend to increase the 1955 fall pig crop about 10 percent. Most of these hogs will be marketed in the first half of 1956.

More grease probably will be produced in 1955-56 because of the expected rise in hog slaughter. However, tallow output may not change much since cattle slaughter is likely to remain about the same.

Output of butter in 1955-56 probably will not differ much from a year earlier.

Record feed supplies in prospect for October 1955-September 1956 will permit a heavy rate of livestock feeding. Carryover stocks of feed grains into 1955-56 will be at a peak and July 1 indications are that production may be about the same as the 1948 record. The bulk of these stocks are owned by CCC and will be available only at prices set by this agency.

Table 4 .- Flaxseed: Acreage, yield and production 1/

State	Acreage planted			Yield per acre			Production		
	1947-53	1954	1955	1947-53	1954	1955	1947-53	1954	1955
	1,000 acres	1,000 acres	1,000 acres	Bu.	Bu.	Bu.	Mil. bu.	Mil. bu.	Mil. bu.
North Dakota	1,927	3,569	3,391	7.9	6.9	7.7	15.3	24.6	26.0
Minnesota	1,369	1,047	900	9.7	8.1	9.0	13.4	8.4	8.1
South Dakota	634	973	788	8.6	5.8	8.2	5.4	5.6	6.4
California	102	41	60	25.5	29.0	30.0	2.4	1.2	1.8
Montana	85	160	85	6.8	4.2	7.1	.6	.7	.6
Texas	174	128	55	6.1	4.5	1.4	1.1	.6	.1
Others	167	41	26	11.3	10.8	15.2	2.0	.4	.4
Total	4,458	5,959	5,305	9.0	7.0	8.2	40.0	41.5	43.4

1/ 1954 is preliminary; 1955 is indicated July 1.

Table 5 .- Supply and use of flaxseed

Year beginning July	Planted acreage	Yield per planted acre	Supply			Use		
			Production	Stocks July 1 1/	Total	Net exports 1/	Domestic use 1/ 2/	Total 1/
	1,000 acres	Bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.
1947	4,264	9.5	40.6	9.0	49.6	.4	34.6	35.0
1948	5,121	10.7	54.8	14.2	69.0	4.7	25.8	30.5
1949	5,348	8.0	43.0	39.0	82.0	2.2	32.5	34.7
1950	4,274	9.4	40.2	46.4	86.6	4.2	36.2	40.4
1951	4,116	8.4	34.7	46.1	80.8	5.6	30.2	35.8
1952	3,444	8.8	30.2	45.1	75.3	.4	34.2	34.6
1953	4,640	7.9	36.7	41.2	77.9	3/17.6	29.2	46.8
1954 4/	5,959	7.0	41.5	31.7	73.2	3/29.0	29.4	58.4
1955	5/5,305	8.2	5/43.4	6/14.5	57.9			

1/ Includes flaxseed equivalent of linseed oil.
2/ Excludes crushings of flaxseed.
3/ Practically all from CCC stocks.
4/ Preliminary.
5/ Indicated July 1.
6/ Estimated.

Table 6 .- Flaxseed: Prices and quantities owned by CCC

Year beginning July	Price per bushel		CCC stocks July 1 1/		Flaxseed acquired by CCC
	Support (Farm basis)	Received by farmers	Total	As a percentage of all stock	
	Dollars	Dollars	Million bushels	Percent	Million bushels
1947	5.75	6.15	---	---	.1
1948	5.75	5.71	.1	1	24.6
1949	3.74	3.63	32.3	83	9.7
1950	2.57	3.34	37.0	80	2/
1951	2.65	3.71	29.2	63	2/
1952	3.77	3.72	25.1	56	4.9
1953	3.79	3.64	29.6	72	17.0
1954 3/	3.14	3.03	21.2	67	8
1955	2.91		3/5-6	40	

1/ Includes flaxseed equivalent of linseed oil. 2/ Less than 50,000 bushels. 3/ Preliminary.

Table 7 .- Flaxseed: Value of the products and farm price as a percentage of this value

Year beginning July	Per bushel crushed							Value as a percentage of total value		Farm price as a percentage of total product value
	Oil			Meal			Total value of products			
	Yield	Price 1/	Value	Yield	Price 2/	Value		Oil	Meal	
	Pounds	Cents	Dollars	Pounds	Cents	Dollars	Dollars	Percent	Percent	Percent
1947	19.8	29.5	5.84	35.1	4.0	1.40	7.24	81	19	85
1948	19.8	26.8	5.31	35.9	3.2	1.15	6.46	82	18	88
1949	19.5	17.7	3.45	37.1	3.2	1.19	4.64	74	26	78
1950	20.0	18.8	3.76	36.5	2.9	1.06	4.82	78	22	69
1951	20.1	16.7	3.36	36.1	3.3	1.19	4.55	74	26	82
1952	20.1	15.0	3.02	36.4	3.6	1.31	4.33	70	30	86
1953 3/	19.8	14.8	2.93	36.0	3.3	1.19	4.12	71	29	88
1954 3/	19.6	13.6	2.67	36.6	3.1	1.13	3.80	70	30	80

1/ Raw oil in tank cars, Minneapolis. 2/ Bulk, carlots, at Minneapolis. 34 percent prior to July 1950; 36 percent July 1950 to date. 3/ Preliminary.

Table 8 .- Linseed oil: Supply and disposition, by months, 1947 to date 1/

Year beginning July	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	Total
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
	Production												
1947	32	27	48	59	62	45	57	52	46	49	54	63	595
1948	77	72	73	61	58	63	53	59	61	44	45	71	737
1949	70	77	73	68	63	62	57	53	51	47	44	63	728
1950	82	58	77	69	73	75	61	64	75	68	70	74	844
1951	63	61	57	60	55	52	47	44	46	39	42	44	609
1952	32	47	47	58	55	46	51	41	39	35	24	32	507
1953	27	44	49	52	51	58	52	50	44	39	40	44	551
1954 2/	50	70	80	69	58	54	46	37	60	37	41		
	Stocks, first of month												
1947	144	158	133	119	127	125	126	135	142	137	135	133	
1948	138	151	166	180	191	211	227	255	277	302	339	344	
1949	381	398	429	445	462	492	525	555	572	588	604	580	
1950	588	605	595	601	597	635	655	658	654	651	658	674	
1951	679	688	674	670	677	682	698	705	712	709	698	687	
1952	675	669	653	649	654	662	672	682	679	672	661	632	
1953	619	608	591	588	590	567	558	517	503	504	474	406	
1954 2/	361	258	244	253	222	248	222	214	199	207	199	171	
	Exports												
1947	1	3	5	3	6	5	1	1	2	1	10	4	42
1948	3	2	1	1	1	3	3/	1	3/	1	1/	3/	14
1949	3/	3/	3/	3/	3/	3/	3/	2	1	3/	3/	3/	5
1950	3/	3/	10	4	1	4	3	2	1	3/	3/	3/	26
1951	1	8	2	3/	3/	3/	1	2	1	11	2	3/	28
1952	3/	3/	3/	1	3/	3/	3/	3/	3/	3/	3/	3/	3
1953	1	3/	3/	2	29	57	22	36	6	24	36	89	303
1954 2/	93	35	1	77	3/	23	34	24	3	3/	21		
	Domestic disappearance 4/												
1947 5/	29	48	57	47	59	39	48	44	52	50	46	54	573
1948	61	55	59	49	37	45	24	37	36	5	41	34	482
1949	54	46	56	51	33	29	27	33	34	31	68	55	517
1950	65	68	60	69	33	50	55	66	78	61	53	70	728
1951	54	66	59	53	50	36	39	35	47	39	50	56	585
1952	37	63	51	52	47	36	41	44	46	45	54	44	559
1953	37	61	52	47	45	40	40	29	37	45	44	44	522
1954 2/	44	49	69	23	33	57	21	28	49	45	48		

1/ Totals computed from unrounded data.
2/ Preliminary.
3/ Less than 500,000 pounds.
4/ Adjusted in December 1953, January, May, June and July 1954.
5/ Includes imports of 14 million pounds in 1947.

RECENT DEVELOPMENTS

Soybean Crushings Increase

Soybean crushings have picked up this spring, primarily reflecting lower soybean prices and reduced supplies of cottonseed oil. The total for October 1954-June 1955 was about 188 million bushels (June is estimated). Crushings through the summer are expected to continue at the present level of about 20-21 million bushels per month and the total for the October-September marketing year will be about 250 million bushels. This would be slightly less than the 1950-51 peak crush despite the much larger soybean crop.

Soybean exports in October 1954-June 1955 totaled about 48 million bushels (June is partly estimated), well above any previous year. Most of the beans are going to Japan, Western Germany, Canada, the Netherlands, Formosa, France, Israel and Denmark. Exports for the marketing year are expected to be near 55 million bushels.

If other uses (seed, feed, etc.) run about 28 million bushels, ending stocks would be about 11 million bushels--not overly big when the record size of the 1954 crop is considered.

Table 9.- Soybeans: Supply and disposition

Item	Year beginning October				
	1950	1951	1952	1953	1954 1/
	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels
Production	299.3	282.5	298.1	268.5	343
Total supply	302.2	286.7	301.7	278.6	344
Crushings	252.0	244.3	234.4	213.2	250
Seed	18.2	19.5	20.5	23.4	25
Exports	27.8	17.0	31.9	39.7	55
Other 2/	3/	2.3	4.8	1.0	3
Total	298.0	283.1	291.6	277.3	333
Ending stocks	4.2	3.6	10.1	1.3	11

1/ Partly forecast.
2/ Feed, statistical discrepancies, etc.
3/ Less than 50,000 bushels.

CCC is offering for domestic or export sale the soybeans that it acquires from the 1954 crop, at market price or the support level, whichever is higher. As of June 15, the Corporation had taken over about 8 million bushels. Sales through early July totaled about 4.5 million bushels. Farmers through mid-June redeemed about 21 million bushels of the 38 million placed under loans. Farmers have indicated that they plan to deliver less than 1 million of the 3.5 million bushels placed under purchase agreements.

Prices for soybeans are around support and the lowest in many months, primarily reflecting lower prices for the meal. Soybean oil prices have been fairly strong this year, as at the crushing rate supplies of oil have not built up.

CCC Cottonseed Oil Stocks Small

It was announced July 1 that future purchase authorizations for edible fats issued by the U. S. Department of Agriculture under Title I, Public Law 480 will give the importing country the option of obtaining lard, cottonseed oil or soybean oil. (Title I permits sales for foreign currency for quantities over and above those amounts normally taken by a given country.) Previously, such authorizations were restricted to CCC-owned cottonseed oil. Now, any of these commodities can be obtained from commercial supplies.

As of July 7 the Corporation owned only about 85 million pounds of cottonseed oil, crude basis. CCC had acquired about 1.6 billion pounds under the 1951-54 cottonseed support programs. Nearly all of this was disposed of, mostly in the export market, during the past 2 marketing years. About 15 percent of the dispositions were in the form of donations for domestic and foreign use. Tenders of 1954 crop oil through July 6 totaled 197 million pounds. This is equal to about 11 percent of the estimated crop year output.

Disappearance of Food Fats Up Sharply

Total disappearance of all food fats in October 1954-May 1955 was about 11 percent more than the year before. Exports increased the most although domestic use also was greater. The totals for the marketing year ending next September 30 also will be substantially larger than last year and ending stocks will be down sharply from the high levels of the two preceding years. Ending stocks of edible oils and butter will be greatly reduced but lard stocks probably will be slightly larger than the small quantity on hand a year earlier.

Butter Stocks Decline; Butter Use Up, Margarine Same

A 22 percent rise in total disappearance of butter in October 1954-May 1955 combined with a 10 percent decline in production have been reflected in a sharp drop in butter stocks. The 190 million pound increase in disappearance was about equally divided between domestic use and exports. Government donations accounted for a large part of the increase in exports and part of the increase in domestic use. Prices have been around support.

Consumption of butter for the October 1954-September 1955 period probably will be nearly half a pound per person greater than the 7.2 pounds (fat content) of a year earlier. Consumption of margarine per person has been running about the same as last year and is expected to continue at this level.

Lard Prices Down, May Rise

Lard prices have been comparatively weak this marketing year as production increased much more than total disappearance. Greater output reflects a 14 percent rise in slaughter to date and higher yields per animal killed. Exports rose much more than domestic consumption. Lard has been selling at a considerable discount compared with the edible vegetable oils and has encouraged greater use of lard in shortening. In fact, such use just about accounted for the entire rise of 97 million pounds in domestic disappearance. Use in shortening totaled 189 million pounds from October to May, 94 million more than a year ago.

A seasonal decline in stocks is likely this summer and probably will be reflected in some upward movement in lard prices.

Edible Oil Stocks Reduced

Stocks of edible oils have been reduced sharply this marketing year, reflecting a heavy expansion in exports. Commercial stocks probably remained about the same as most ot the decrease was in cottonseed oil from CCC holdings. There was little change in domestic disappearance from last year. A tight supply situation for cottonseed oil in recent months has been reflected in a sizable premium for this oil over soybean oil. This situation is likely to continue through the summer.

Production and Exports of Tallow Increase

Total disappearance of inedible tallow and greases in October 1954-May 1955 was fractionally greater than output and stocks declined slightly. Prices have remained relatively stable since February. Production probably will be about equal to total disappearance this summer and there is likely to be little change in prices from the present level.

Production and total disappearance of inedible tallow and greases in October 1954-May 1955 were greater than a year ago. Larger exports accounted for the entire increase in disappearance as domestic use did not change. Consumption in soap continued downward, dropping 112 million pounds, but was offset by a rise in other domestic outlets--partly in feed.

Table 10.- Selected fats and oils: Supply and disposition, October-May

Item	Production		Exports 1/		Domestic disappearance		Ending stocks	
	Oct. 1953-May 1954	Oct. 1954-May 1955	Oct. 1953-May 1954	Oct. 1954 May 1955	Oct. 1953-May 1954	Oct. 1954-May 1955	May 31, 1954	May 31, 1955
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil.lb.	Mil.lb.
Butter except farm	977	885	30	127	848	941	422	306
Lard, except farm	1,404	1,697	320	449	1,057	1,154	69	144
Edible oils 2/	4,225	4,043	822	1,070	3,238	3,247	1,430	847
Total food	6,606	6,625	1,172	1,646	5,143	5,352	1,921	1,297
Shortening	1,330	1,418	14	20	1,309	1,349	96	145
Margarine	945	956	6	6	933	946	25	23
Tallow and grease	1,753	1,850	766	811	1,063	1,060	289	250
Coconut oil	3/388	3/387	7	7	383	356	54	83

1/ Includes shipments.
2/ Includes beef fats, corn, cottonseed, olive, peanut and soybean oils. Production and exports also include oil equivalent of soybeans and peanuts exported for crushing.
3/ Imports and production from imported material.

Table 11.- Wholesale price per pound of leading fats and oils, United States, specified periods

Item	Average 1937-41	1953-1954				1954-55		
		Oct. 1953	Jan. 1954	July 1954	Aug. 1954	Oct. 1954	Jan. 1955	Early July 1955
	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.
Butter, 92-score, Chicago	29.6	67.4	65.3	56.9	57.0	59.1	57.4	56.8
Lard, tank carlots, Chicago	7.6	15.8	15.3	16.2	17.0	14.2	11.5	11.0
Cottonseed oil, crude, South East mills	7.0	13.5	12.3	14.6	14.3	12.8	13.0	14.2
Soybean oil, crude, tank cars, Midwest mills	6.4	13.3	12.1	14.1	14.8	12.1	12.2	11.9
Coconut oil, crude, tank cars, Pacific Coast 1/	7.0	19.2	19.3	15.7	15.3	15.7	15.8	15.0
Linseed oil, raw, tank cars, Minneapolis	9.3	16.0	14.8	16.0	16.0	14.5	12.3	13.3
Tung oil, tanks, New York	2/21.7	25.7	23.7	22.4	22.0	22.0	22.1	24.8
Inedible tallow, prime, Chicago	6.3	4.5	6.5	5.5	5.9	6.7	7.8	6.8

1/ Three cents added to allow for tax on first domestic processing.
2/ Drums, New York.

Compiled from Oil, Paint, and Drug Reporter; The National Provisioner; Wall Street Journal, Chicago edition; and reports of Commodity Stabilization Service.

EFFECTS ON OUTLOOK FORECASTS OF DIFFERENCES BETWEEN EARLY-SEASON AND FINAL ESTIMATES OF PRODUCTION [1]

It is well known that the size of crops produced each year cannot be estimated as precisely early in the season as later. This article summarizes one phase of a research project designed to determine by how much the successive monthly forecasts of harvests of several oilseeds differ from the final estimate and whether the early-season forecasts are biased. For these crops no significant bias in the early-season forecasts were found. The percentage of variation in the preliminary December estimate associated with each of the successive monthly forecasts is shown in figure 2 and discussed briefly in succeeding paragraphs. Commodities included are soybeans, flaxseed, peanuts, cottonseed (cotton) and tung nuts.

The first forecast of production of soybeans for harvest as beans is published by the Crop Reporting Board in August; similar forecasts are issued monthly thereafter through November. In each case, monthly forecasts are based on the condition of the crop on the first of the month and assume average weather during the remainder of the growing season. A preliminary estimate of production for the year is issued in December, and a revised estimate is published in the annual summary report for the following December. A further revision, based on Census benchmark data published every 5 years, is made as soon as possible after these data become available. Similar information is issued for flaxseed, peanuts, and cotton, although the months in which forecasts are issued differ from those for soybeans. Estimates for cotton lint are included in this article because cottonseed production varies directly with production of cotton.

One way in which differences between early-season forecasts and final production estimates can be studied is in terms of the standard deviations of such differences. Standard deviations are a measure of the amount of scatter or dispersion about an average such that the average plus or minus one standard deviation ordinarily will include about two-thirds of the observations. With the kind of data analyzed in this study, the size of the standard deviation directly indicates the relative size of the differences for any given monthly forecast from the preliminary December production.

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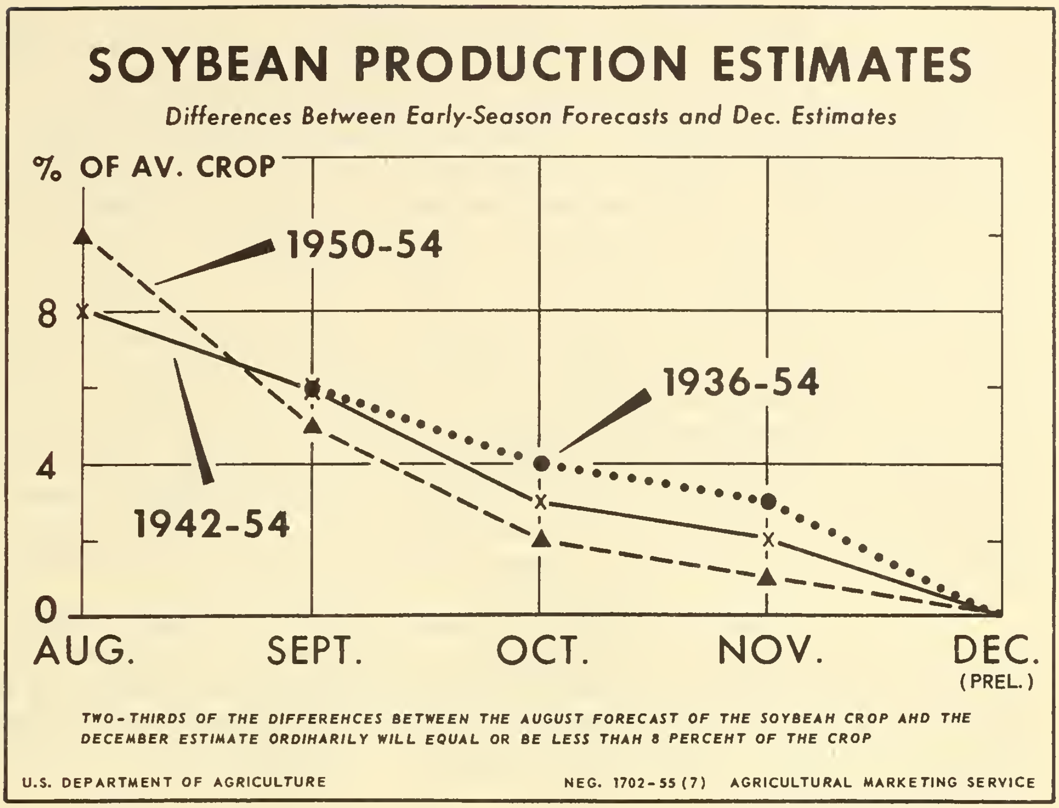
[1] Summary of an article by Hyman Weingarten. The research on which this article is based was carried on under authority of the Agricultural Marketing Act of 1946 (RMA, Title II).



SOYBEAN PRODUCTION ESTIMATES

Differences Between Early-Season Forecasts and Dec. Estimates

TWO-THIRDS OF THE DIFFERENCES BETWEEN THE AUGUST FORECAST OF THE SOYBEAN CROP AND THE DECEMBER ESTIMATE ORDINARILY WILL EQUAL OR BE LESS THAN 8 PERCENT OF THE CROP

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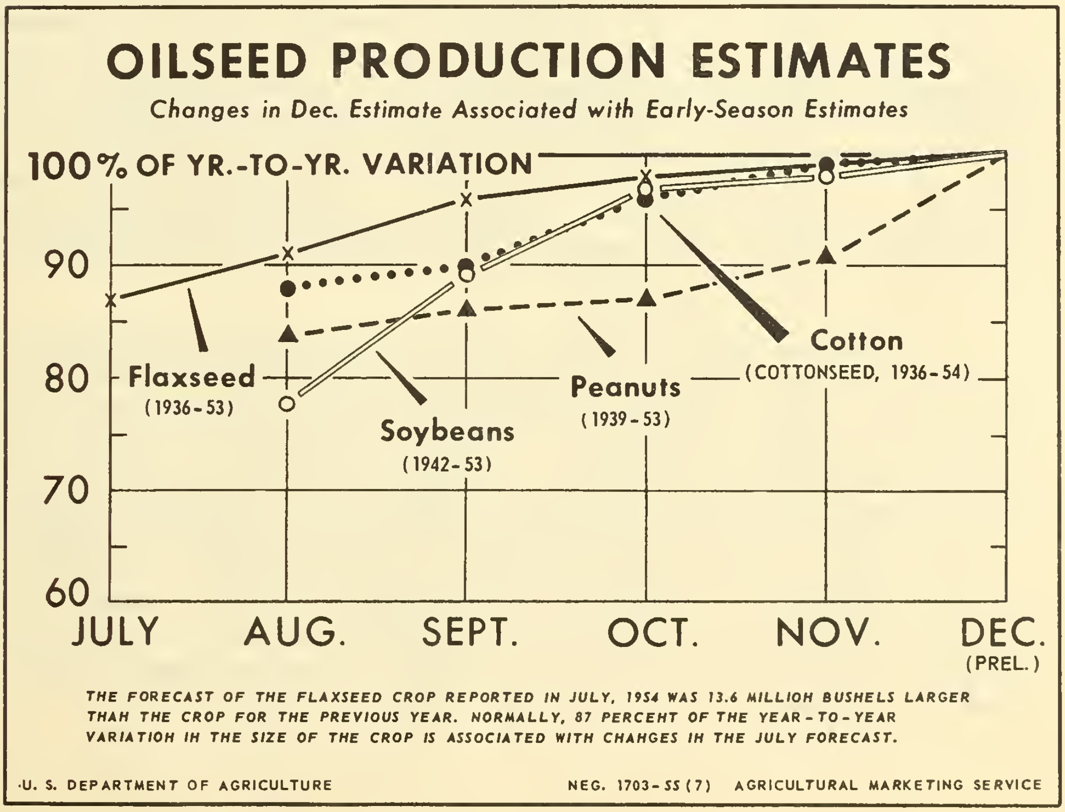
Figure 1



OILSEED PRODUCTION ESTIMATES

Changes in Dec. Estimate Associated with Early-Season Estimates

THE FORECAST OF THE FLAXSEED CROP REPORTED IN JULY, 1954 WAS 13.6 MILLION BUSHELS LARGER THAN THE CROP FOR THE PREVIOUS YEAR. NORMALLY, 87 PERCENT OF THE YEAR-TO-YEAR VARIATION IN THE SIZE OF THE CROP IS ASSOCIATED WITH CHANGES IN THE JULY FORECAST.

U. S. DEPARTMENT OF AGRICULTURE NEG. 1703-55 (7) AGRICULTURAL MARKETING SERVICE

Figure 2

An August forecast of the soybean crop was first published in 1942. Based on data for 1942-54, the simple average of the differences between the August forecast of production and the estimate of the size of the crop published in December, without regard to direction, was found to be 17 million bushels. In 8 out of these 13 years, or approximately two-thirds of the time, the difference was equal to or less than 18 million bushels. The computed standard deviation is 18 million bushels, or 8 percent of the average crop for the period. For the September forecast, the standard deviation drops to 13 million bushels. A decline to 8 million bushels takes place for the October forecast, with a drop to 5 million bushels in November. Figure 1 shows, in terms of percentage of actual crop, the standard deviations based on data for three periods--1936-54, 1942-54, and 1950-54. The lines for the three periods are almost identical, suggesting that the past 5 years are long enough to give a reasonable estimate of the relative size of the differences for the early-season forecasts. Some variance is noted, however, when standard deviations for 1950-54 are expressed in actual physical units, instead of percentages, reflecting, perhaps, the upward trend in production.

Another way to study the usefulness of the early-season production forecasts in connection with price or utilization forecasts is in terms of the percentage of variation of the year-to-year changes in production that could be forecast by making use of them. These are summarized in figure 2 for the various crops, using a consistent time period to the extent possible.

Using monthly forecasts of production, 78 percent of the year-to-year variation of production of soybeans can be forecast on the average by making use of the August forecast, but this percentage increases to 89 in September, to 97 in October, and to 98 in November. Analyses of flaxseed show that the first forecast issued in July is associated with about 87 percent of the year-to-year changes in the production estimate isssued in December, and from September on, explain more than 95 percent of the variation. For cotton lint, the August forecast is associated with 88 percent of the year-to-year variation in December and this increases to over 96 percent in October and to more than 99 percent in November.

For the years 1939-53, about 84 percent of the year-to-year variation in production of peanuts picked and threshed can be accounted for by the August forecast. This percentage increases to 86 in September and 91 by November. Lower percentages are shown for 1944-53. These are believed to reflect the effect of Government programs initiated in the early forties to stimulate expansion of the peanut crop, particularly in new areas, and, in later years, to aspects of the price support program that permitted the planting of land in excess of the acreage allotment to peanuts for crushing. An examination of the data led to the choice of the period 1931-41 as one more typical of normal changes between the early-season forecasts and estimates made at the end of the year.

The percentage of year-to-year variation in peanut production associated with the early-season forecasts for each month in the period 1931-41 range between 91 and 96 percent compared to a range of 68 to 86 percent for comparable months in the period 1944-53. Beginning with the 1954 crop, conditions are expected to resemble those in the pre-World War II period. For example, in 1954 the computed changes based on pre-war relationships were consistent with those that would be expected from such an analysis.

Copies of this article in full can be obtained by writing the Division of Marketing Information, Agricultural Marketing Service, U. S. Department of Agriculture, Washington 25, D. C. The complete article discusses data and methods of analysis used and presents complete details for the several crops. It also includes a discussion of relations between several available estimates of season average prices.

The following reports were released recently by the U. S. Department of Agriculture:

1. *The Market Potential for Fats and Oils in Drying Oil Uses*, AMS Marketing Research Report No. 90, April 1955. A summary of this report was published in the March 1955 issue of the *Fats and Oils Situation*.

2. *Storage in Marketing Farmers' Stock Peanuts*, AMS Marketing Research Report No. 88, April 1955.

3. *Wool Grease*, AMS Marketing Research Report No. 89, June 1955. This Report discusses the economics of recovery and utilization of wool grease in the United States.

A single copy of each of these publications can be obtained without charge from the Agricultural Marketing Service, USDA, Washington 25, D. C. Copies can be purchased from the Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C. for 40 cents (Report No. 88), one dollar (Report No. 89), and 65 cents (Report No. 90) per copy.

Table 12.- Fats and oils used in margarine and shortening

Item	Average 1935-39	1946	1947	1948	1949	1950	1951	1952	1953	1954 1/
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
					Margarine					
Cottonseed oil	125	223	323	453	431	418	334	354	275	397
Soybean oil	32	201	228	255	257	312	473	652	726	665
Peanut oil	3	14	17	11	2/	7	16	3	2	2
Corn oil	1	7	7	1	1	1	4	2/	1	2/
Coconut oil	105	15	21	5	2/	---	1	---	7	5
Other vegetable oils	15	---	---	---	---	4	2	---	2	1
Lard	2	2	3	3	4	4	4	5	8	7
Oleo oil, stock and stearine	20	5	8	6	7	8	7	8	13	10
Vegetable stearine 3/	2/	---	---	---	---	11	11	24	12	17
Total 4/	303	465	607	736	701	764	851	5/1,046	5/1,049	5/1,106
					Shortening					
Cottonseed oil	1,006	502	300	321	532	549	335	388	376	640
Soybean oil	119	744	705	708	713	841	731	851	903	918
Peanut oil	68	42	65	56	12	12	21	6	4	4
Corn oil	1	3	3	4	1	1	1	1	1	1
Coconut oil	28	18	87	48	20	---	20	33	2	15
Palm oil	128	---	---	3	---	1	---	---	1	1
Other vegetable oils	42	8	2	4	2	18	23	2	3	19
Lard	4	20	101	114	118	155	200	232	227	142
Tallow, edible	87	44	44	29	18	17	14	26	39	81
Oleo oil and oleo stearine	31	14	20	16	13	14	9	8	7	8
Fish and marine mammal oils	25	1	---	---	---	8	2	---	---	---
Vegetable stearine	---	69	70	101	64	89	48	66	82	99
Glycerides	---	---	---	---	---	---	---	---	35	39
Total	1,539	1,466	1,396	1,403	1,494	1,705	1,405	1,613	1,681	1,969

1/ Preliminary. 2/ Less than 500,000 pounds. 3/ Most of the vegetable stearine used in margarine prior to 1950 was included with the primary oil. 4/ Includes small quantities of edible tallow in many years. 5/ Includes 2 million pounds of secondary oils other than vegetable stearine in 1952, and 3 million in 1953 and in 1954.

Table 13.- Calculation of domestic disappearance of fats and oils, except butter, used in food, year beginning October 1954 with comparisons

Year and item	Unit	Oct.-Dec.	Jan.-Mar.	April-June	July-Sept.	Total
1952						
Fats and oils used principally for food 1/						
Production	Mil.lb.	2,507	2,171	1,630	1,422	7,730
Net exports	Mil.lb.	349	268	223	195	1,035
Increase (+) or decrease (-) in stocks	Mil.lb.	+543	+285	-48	-298	+482
Nonfood uses	Mil.lb.	160	148	139	115	562
Other fats and oils, food uses 2/	Mil.lb.	35	48	52	60	195
Net domestic disappearance of fats and oils for food (butter excluded)						
Total	Mil.lb.	1,490	1,517	1,369	1,469	5,846
Per person, civilian and military	Lb.	9.3	9.4	8.5	9.1	36.2
1953 3/						
Fats and oils used principally for food 1/						
Production	Mil.lb.	2,534	2,164	1,646	1,431	7,775
Net exports	Mil.lb.	466	412	392	247	1,517
Increase (+) or decrease (-) in stocks	Mil.lb.	+408	+135	-294	-371	-122
Nonfood uses	Mil.lb.	136	132	124	92	484
Other fats and oils, food uses 2/	Mil.lb.	44	62	56	63	225
Net domestic disappearance of fats and oils for food (butter excluded)						
Total	Mil.lb.	1,567	1,547	1,480	1,526	6,121
Per person, civilian and military	Lb.	9.6	9.5	9.0	9.2	37.3
1954 3/						
Fats and oils used principally for food 1/						
Production	Mil.lb.	2,577	2,176			
Net exports	Mil.lb.	768	535			
Increase (+) or decrease (-) in stocks	Mil.lb.	+130	-27			
Nonfood uses	Mil.lb.	128	146			
Other fats and oils, food uses 2/	Mil.lb.	71	51			
Net domestic disappearance of fats and oils for food (butter excluded)						
Total	Mil.lb.	1,623	1,573			
Per person, civilian and military	Lb.	9.8	9.4			

1/ Includes lard, oleo oil, oleo stock, oleo stearine, edible tallow, corn, cotton seed, peanut, soybean and edible olive oil. Production and exports include oil equivalent of exported soybeans and peanuts for crushing abroad. Net exports also include margarine, shortening and vegetable stearine, and shipments. Change in stocks includes secondary oils, shortening, margarine and estimates for farm lard.
2/ Mainly babassu, coconut, palm-kernel and sesame oils. 3/ Preliminary.

Compiled from reports of the Bureau of the Census and United States Department of Agriculture. Totals and per person estimates computed from unrounded numbers.

Table 14.- Fats, oils, including margarine and shortening, and tall oil: Production from domestic and imported materials, and factory and warehouse stocks at end of month

Items grouped by major use	Production 1/					Stocks		
	October-May		1954	1955		1954	1955	
	1953-54	1954-55	May	April	May	May 31	April 30	May 31
	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.
PRIMARY FATS AND OILS								
Food fats and oils								
Butter 2/	977.0	885.0	164.5	128.0	157.0	422.0	293.2	306.3
Lard and rendered pork fat 3/	1,404.0	1,697.0	145.0	184.0	181.0	69.3	140.4	144.1
Oleo oil, oleo stock, edible animal stearine, and edible tallow	172.0	180.0	25.0	20.2	28.7	11.8	19.1	20.3
Total edible animal fats	2,553.0	2,762.0	334.5	332.2	366.7	503.1	452.7	470.7
Corn oil	169.1	177.0	20.6	21.5	22.8	19.9	18.4	17.8
Cottonseed oil	1,662.6	1,362.5	124.2	110.8	102.0	1,145.9	668.6	623.4
Olive oil, edible	1.5	3.1	---	4/	4/	4.6	9.4	8.5
Peanut oil	60.5	15.6	7.0	1.6	1.5	16.9	16.2	17.4
Soybean oil	1,714.0	1,806.2	193.3	218.1	229.2	230.9	170.6	159.4
Total edible vegetable oils	3,607.7	3.364.4	345.1	352.0	355.5	1,418.2	883.1	826.5
Soap fats and oils								
Tallow, inedible, and greases excluding wool grease 5/	1,753.3	1,850.5	209.5	233.3	229.4	289.2	254.1	250.5
Palm oil 6/	---	---	---	---	---	14.4	17.0	19.0
Fish oil	38.5	40.8	8.6	1.4	10.1	22.6	21.7	24.4
Whale and seal oils	---	---	---	---	---	8.3	13.6	18.8
Olive oil, inedible and foots	---	---	---	---	---	2.6	2.0	2.5
Coconut oil 6/	291.0	290.0	35.5	40.4	36.1	53.7	85.0	82.7
Total soap fats	2,082.8	2,181.3	253.6	275.1	275.6	390.8	393.4	397.9
Drying oils								
Castor oil, dehydrated	10.9	13.4	1.4	1.5	2.4	4.4	2.0	2.3
Linseed oil	386.9	401.9	40.3	36.8	40.7	406.1	199.3	171.3
Oiticica oil	---	---	---	---	---	2.7	4.5	4.0
Tung oil	38.9	15.1	.7	4/	---	55.1	52.5	49.4
Total drying oils	436.7	430.4	42.4	38.3	43.1	468.3	258.3	227.0
Other industrial oils and fats								
Neat's-foot oil	1.5	6/ .4	.2	---	---	.9	---	---
Sperm-oil	---	---	---	---	---	---	---	---
Wool grease	3.8	6/ 1.1	.5	---	---	1.3	---	---
Cod oil and fish-liver oils	.8	1.5	7/	.2	7/	5.0	1.7	.9
Castor oil, No.1 and No.3 8/	37.4	28.7	4.4	3.2	2.5	30.8	33.5	37.6
Rapeseed oil	---	---	---	---	---	2.6	3.0	2.3
Other vegetable oils	15.0	25.8	1.5	7.2	5.5	30.1	39.6	40.0
Total	58.5	57.5	6.6	10.6	8.0	70.7	77.8	80.8
Grand total 9/	10/9,095.6	10/9,132.6	982.3	1,008.3	1,048.8	2,851.1	2,065.6	2,003.0
From domestic materials	10/8,756.3	10/8,800.5	941.0	963.0	1,007.8			
From imported materials	339.3	332.1	41.3	45.2	41.0			
FAT-AND-OIL PRODUCTS								
Margarine -- Colored								
Uncolored								
Total	945.1	956.1	102.8	104.4	112.6	25.5	26.4	23.5
Shortening	1,329.6	1,418.0	177.9	159.9	182.2	96.3	158.2	145.0
Tall oil	215.7	319.6	31.2	45.6	50.6	76.6	55.4	56.5

1/ Factory production except as otherwise noted.
2/ Creamery butter production and cold-storage stocks, United States Department of Agriculture.
3/ Total commercial. Excludes farm production. Federally inspected in October 1953-May 1954 totaled 1,202.9 million pounds; October 1954-May 1955 totaled 1,467.8 million pounds.
4/ Included in "other vegetable oils."
5/ Total apparent production, Agricultural Marketing Service. (Computed from factory consumption, trade and stocks.)
6/ October-December. Not reported after December 1954.
7/ Less than 50,000 pounds.
8/ Production of No. 1 and No. 3 minus production of dehydrated castor oil.
9/ Computed from unrounded numbers.
10/ Includes estimated output of farm butter and farm lard, 357 million pounds in October 1953-May 1954, and 337 million pounds in October 1954-May 1955

Compiled from reports of the Bureau of the Census, except as noted. Data include stocks held by the Government in reported position.

Table 15.- Imports and exports of fats, oils, oil-bearing materials and fat-and-oil products in terms of oil

Item	Imports for consumption				Exports 1/			
	October-April		April		October-May		1955	
	1953-54	1954-55	1954	1955	1953-54	1954-55	April	May
	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.
Food fats and oils								
Butter	.8	.5	.1	.1	28.9	2/125.9	14.5	36.0
Lard	---	---	---	---	279.9	399.6	56.5	36.6
Oleo oil	---	---	---	---	2.9	2.3	.3	.5
Oleo stock	---	---	---	---	7.8	14.1	1.0	1.7
Stearine, animal, edible	---	---	---	---	1.9	.3	3/	3/
Tallow, edible	---	.1	.1	---	15.3	3.5	.6	.5
Total, edible animal fats	.8	.6	.1	.1	336.7	545.7	72.9	75.3
Cottonseed oil	---	---	---	---	249.1	481.7	14.6	20.8
Cottonseed (15.5 percent)	---	---	---	---	4.1	6.5	.7	.5
Olive oil, edible	35.2	36.3	9.0	4.3	---	---	---	---
Peanut oil	1.5	18.1	---	1.2	8.0	.2	3/	3/
Peanuts, shelled (43 percent)	---	---	---	---	64.3	---	---	---
Soybean oil	---	---	---	---	66.1	29.3	2.9	3.8
Soybeans (18.3 percent) 4/	.3	3/	.1	3/	381.1	499.2	31.6	34.7
Stearine, vegetable oil, winter	---	---	---	---	.6	---	---	---
Other vegetable oils	4.6	3.7	.9	.7	32.5	25.8	2.1	1.2
Total, edible vegetable oils	41.6	58.1	10.0	6.2	805.8	1,042.7	51.9	61.0
Soap fats and oils								
Fish and fish liver oils non-medicinal	12.9	14.2	3.5	.3	103.8	67.0	3.8	2.3
Greases	1.0	2.0	.3	.2	121.4	105.6	17.0	8.8
Marine mammal oils	20.4	24.0	1.9	1.5	.1	.3	3/	.1
Foots and soap stock, including olive oil	3.5	.2	.1	.1	6.0	9.2	2.9	3/
Palm oil	17.7	35.9	1.0	4.4	---	---	---	---
Tallow, inedible	.1	1.0	---	.2	644.7	705.0	95.7	86.6
Total, slow-lathering oils	55.6	77.3	6.8	6.7	876.0	887.1	119.4	97.8
Babassu oil	---	---	---	---	---	---	---	---
Babassu kernels (63 percent)	---	11.0	---	2.1	---	---	---	---
Coconut oil	87.7	87.6	14.6	9.6	7.5	7.2	.3	1.1
Copra (63 percent)	237.0	231.8	24.2	31.8	.1	1.8	---	1.3
Palm kernel oil	17.3	42.5	5.2	7.1	---	---	---	---
Tucum kernels (43 percent)	---	---	---	---	---	---	---	---
Total, lauric-acid oils	342.0	372.9	44.0	50.6	7.6	9.0	.3	2.4
Drying oils								
Flaxseed (35.4 percent)	.4	---	.2	---	.1	96.2	---	3.1
Linseed oil	---	.5	---	---	211.7	181.0	.1	20.6
Oiticica oil	5.8	4.9	.6	1.8	---	---	---	---
Tung oil	28.8	18.7	8.4	.8	.2	2.3	.3	.1
Total	35.0	24.1	9.2	2.6	212.0	279.5	.4	23.8
Other industrial oils and fats								
Cashew nut shell liquid (oil)	6.6	5.3	.1	.3	---	---	---	---
Castor oil	29.9	46.6	3.3	8.2	.7	.7	.1	.1
Castor beans (45 percent)	25.6	30.4	1.6	4.6	---	---	---	---
Fish-liver oils, medicinal	12.2	13.4	2.2	1.7	.3	.2	3/	3/
Neat's-foot oil and stock	.1	3/	3/	---	.3	.4	.1	3/
Rapeseed oil	2.9	4.4	.3	3/	---	---	---	---
Wool grease	4.3	3.5	1.0	.5	---	---	---	---
Other vegetable oils and fats, inedible	.1	.1	3/	3/	7.1	6.2	.9	.8
Total	81.7	103.7	8.5	15.3	8.4	7.5	1.1	.9
Other products (fat content)								
Margarine 5/	3/	.1	3/	3/	2.0	2.1	.2	.2
Shortening	---	---	---	---	12.7	15.7	1.8	3.4
Cooking and salad oils	---	---	---	---	.9	3.5	6/	6/
Salad products 7/	---	---	---	---	1.4	1.6	.2	.2
Soap	.5	.6	.1	.1	12.8	10.0	1.3	1.1
Fatty acids	1.8	.4	.4	3/	12.7	11.9	1.2	2.1
Total	2.3	1.1	.5	.1	42.5	44.8	4.7	7.0
Grand total 8/	558.9	637.9	79.0	81.9	2,289.1	2,816.1	250.9	268.0
Tall oil	---	---	---	---	32.5	44.6	10.1	2.6

1/ Includes re-exports of coconut, palm, and tung oils, olive-oil foots and copra. Does not include shipments.
2/ Revised as follows: January 17.4; February 19.3; March 14.4 million pounds.
3/ Less than 50,000 pounds.
4/ October 1953-May 1954, 17.5 percent.
5/ Imported margarine goes largely to Puerto Rico and the Virgin Islands.
6/ Included in "Other vegetable oils, edible" beginning January 1955.
7/ Includes mayonnaise and salad dressing.
8/ Computed from unrounded numbers.

Compiled from reports of the Bureau of the Census, and the United States Department of Agriculture.

Table 16.- Index numbers of wholesale prices of fats and oils

Item	1947-49=100				
	June		1955		
	1953	1954	April	May	June
All fats and oils	71	74	69	69	70
All fats and oils, except butter	57	69	60	60	61
Grouped by origin:					
Animal fats	72	76	72	71	71
Vegetable oils, domestic	65	71	61	64	66
Vegetable oils, foreign	85	74	67	65	67
Grouped by use:					
Butter	94	82	83	82	82
Butter, seasonally adjusted	102	88	86	90	89
Lard	53	86	65	62	60
Food fats other than butter	62	78	64	66	66
Food fats other than butter and lard	68	73	64	67	69
All edible fats and oils	79	80	74	75	76
Soap fats	42	53	54	52	52
Drying oils	71	68	58	58	59
Other industrial	52	57	55	54	55
All industrial	51	58	55	54	54
Edible vegetable oils, grouped by degree of processing:					
Crude	68	73	64	67	69
Refined	80	79	71	73	77
End products	85	87	82	82	84

All indexes except "Butter, seasonally adjusted" and "Other industrial" from Bureau of Labor Statistics.

Table 17.- Price received by farmers and prices at terminal markets for specified oil-bearing materials and oilmeals

Item	Unit	June		1955		
		1953	1954	April	May	June
		Dollars	Dollars	Dollars	Dollars	Dollars
Castor beans, Brazilian ports	Long ton	142.50	112.50	110.60	110.00	107.50
Copra, Philippines, c.i.f. Pacific Coast	Short ton	191.25	170.62	160.40	154.75	161.25
Cottonseed, United States average	Short ton	61.20	51.40	53.40	53.10	52.00
Flaxseed, No. 1, Minneapolis	Bushel	3.65	3.88	3.24	3.34	3.35
Flaxseed, United States average	Bushel	3.33	3.48	2.87	2.96	2.99
Peanuts, No. 1, shelled, Spanish, Southeastern shipping points*	100 lb.	20.12	18.88	27.50	27.62	27.50
Peanuts, United States average	100 lb.	11.10	11.20	12.50	12.50	12.50
Soybeans, No. 2, Yellow, Chicago	Bushel	2.82	---	2.51	2.49	2.38
Soybeans, No. 2, Yellow, Illinois country shipping points	Bushel	2.76	3.66	2.54	2.46	2.42
Soybeans, United States average	Bushel	2.66	3.49	2.42	2.36	2.32
				Oilseed Meals 1/		
Copra meal, Los Angeles 2/	Short ton	79.75	62.45	68.00	69.80	69.05
Cottonseed meal, 41 percent protein, Memphis	Short ton	61.60	64.90	60.60	60.40	58.90
Cottonseed meal, 41 percent protein, Chicago	Short ton	72.05	74.70	71.00	71.50	70.45
Linseed meal, 36 percent protein, Minneapolis	Short ton	64.00	63.70	59.60	60.90	61.00
Linseed meal, 34 percent protein, New York	Short ton	81.30	82.90	80.75	79.90	80.25
Peanut meal, 45 percent protein, f.o.b. Southeastern mills	Short ton	66.45	84.00	77.75	73.50	67.50
Soybean meal, 44 percent protein, Chicago	Short ton	78.50	98.35	69.85	64.15	62.35
Soybean meal, 44 percent protein, bulk, Decatur	Short ton	65.90	87.40	59.20	53.40	52.15

1/ Bagged carlots, except soybean meal at Decatur, which is bulk. 2/ Original quotations adjusted to bagged-carlots basis. Starting in 1955, the quotations are for copra cake, for which there may be a premium ranging from 0 to $1.00 per ton.

* This price applies to peanuts for edible uses.

Compiled from Oil, Paint, and Drug Reporter, Daily Market Record (Minneapolis), Wall Street Journal, Chicago edition, reports of the Agricultural Marketing Service and records of the Commodity Stabilization Service.

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